

CSE - FORM 7

Monthly Progress Report – November 2022

Name of CSE Issuer: Avila Energy Corporation ("Avila Energy," the "Issuer" or the "Company")

Trading Symbol: C:VIK

Number of Outstanding Listed Securities: 89,209,897 common shares

Date: December 2, 2022

1. General Overview and Discussion

Avila Energy Corporation is a reporting company registered in Alberta under the Business Corporations Act and has its records and principal address located at 1439 17th avenue SE, Suite 201, Calgary, Alberta. On December 3, 2021, the Company changed its name to Avila Energy Corporation, which was formerly known as Petro Viking Energy Inc.

Avila Energy and its expanding portfolio of 100% Owned and Operated oil and natural gas production, pipelines, and facilities, is a licensed producer, explorer, and developer of Energy in Canada and this is the foundation for the development of the business and the long-term growth of the Company.

Avila Energy through the implementation of a closed system of carbon capture and sequestration techniques in combination with an established path downstream, is focused on the material reduction of *Tier 1, Tier 2 and Tier 3* emissions. Avila's business plan continues to advance based on established foundation of Proven Oil and Natural Gas Reserves and Power Generation Technologies towards becoming a sustainable **Vertically Integrated Carbon Neutral Energy Producer**.

2. Activities of Management

The Company's management remains focused on the allocation of its time and resources between the ongoing development of its oil and natural gas business and the implementation of its long-term business plans. The Company's management and staff embrace the need to remain focused on fundamental growth in its oil and natural gas production as the financial foundation that will be the source of capital to become a sustainable Vertically Integrated Carbon Neutral Energy Producer that will commercially participate in the energy transition.

3. New Exploration Activities

The Company has no new activities to report.

4. Exploration Activities

The Company continues to remain focused on its Core properties in Western Canada as summarized on its website at www.avilaenergy.com.

5. New Business Relationships

Licensing relationship with MTT of the Netherlands, see Point 9.

FORM 7 – MONTHLY PROGRESS REPORT

November 2022

Page 1

6. Expiry or Termination of Contracts or Financing Agreements

The Company currently has no contracts in place that of material significance.

7. Acquisition or Disposition of Assets

The acquisition of the MTT licensing for the manufacture and sale of the EnerTwin, see point 9.

8. Acquisition or Loss of Customers

The Company from time to time changes suppliers and purchasers in the normal course of business but has not had any changes that were of material significance.

9. New Developments or Effects on Intangible Assets

The Company is pleased to report the acquisition of the exclusive licensing in Canada and the United States, and the subsequent decision to commencement of the preparing of application for CSA Certification and the development of its Vertically Integrated Energy Business as announced on November 14th, 2022. The Company anticipates that it will be providing additional information of the business units development over the course of the following 24 months.

10. Employee Hiring and Terminations

There have been no terminations of material significance other than those anticipated with the commencement and completion of capital projects, at the time of start up and upon their completion.

11. Labor Disputes and Resolutions

None

12. Legal Proceedings

None

13. Indebtedness Incurred or Repaid

During the month of November 2022, the Company continues to evaluate several funding strategies to accelerate its business plan. In addition to occurred obligations incurred in the normal course of business, at this time the conversion of debentures to common shares and the exercising of warrants are the only financing activities that are supplementing the Company's capital expenditures and discharge of obligations as they become due.

14. Securities Issued and Options or Warrants Granted

Security	Number Issued	Details of Issuance	Use of Proceeds
Common shares	1,549,999	Exercise of warrants	\$310,000 – General working capital
Warrants	70,000	Conversion of debentures	\$35,000 debt retirement

15. Loans to or by Related Parties

The Company does not have any loans to or by Related Parties other than in the normal course of operations.

16. Changes in Officers, Directors, or Committee Members

The current officers and directors of the Company are:

Name	Position(s)
Leonard B. Van Betuw	Chief Executive Office
Jennifer Ottosen	Chief Financial Officer (a)
Michel Lebeuf, Jr.	Corporate Secretary
Kyle Appleby (b)	Director
Thomas Valentine (b)	Director
Jeffrey Decter (b)	Director
Daniel Lucero	Director

(a) Appointed on November 7, 2022

(b) Members of the Audit Committee

17. Trends Impacting the Company

Many risks are discussed below, but these risk factors should not be construed as exhaustive. There are numerous factors, both known and unknown, that could cause actual results or events to differ materially from forecast results.

Risk inherent in the resources industries - oil & gas and mining

Oil & gas and mining exploration involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Company depends on its ability to find, acquire, develop, and commercially produce oil and natural gas reserves. The future increase in the Company's reserves will depend not only on the Company's ability to explore and develop any properties it may have from, time to time, but also on its ability to acquire suitable resource properties. The Company's principal risks include finding and developing economic resources efficiently and being able to fund the capital program.

FORM 7 – MONTHLY PROGRESS REPORT

November 2022

Page 3

Capital Risk

The Company's need for capital is both short-term and long-term in nature. Short-term working capital will be required to finance accounts receivable, drilling deposits and other similar short-term assets. The acquisition and development of various resource properties or other business opportunities requires significant capital both short and long-term. In the longer-term management anticipates that capital requirements will be met through a combination of internal adjusted funds flow, debt instruments and/or equity financing. There is no assurance that debt and equity financing will be available on terms acceptable to the Company to meet its capital requirements.

Interrelation of Business Components

If any components of the Company's business plan are missing or incomplete, the Company may not be able to execute its' entire business plan.

Environmental Risks

All phases of the resource industries present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial, and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Although the Company intends to be in material compliance with current applicable environmental regulations, no assurance can be given that changes in environment laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects. Prior to drilling, the Company obtains insurance in accordance with industry standards to address certain of these risks. However, such insurance has limitations on liability and may not be sufficient to cover the full extent of such liability. In addition, such risks may not, in all circumstances, be insurable. The payment for such uninsured liabilities would reduce the funds available to the Company. The occurrence of a significant event that was not fully insured could have a material adverse effect on the Company's financial position.

Legislative Risk

Included in the above risks is legislative risk. However, the mining and oil & gas industries internationally and particularly in Canada have become increasingly subject to public scrutiny. It is virtually impossible to predict how this scrutiny may result in new and unexpected legislation which may adversely affect the Company's ability to obtain capital, its valuations and/or its operations.

Personnel Risk

There is no guarantee that the personnel employed by the Company will continue to be employed in such a manner. They may experience health and or life changes that make this difficult. The Company mitigates against this risk by sufficiently documenting its actions such that an appropriately trained and skilled replacement employee should be functional within a reasonable time. However, there is no guarantee that all knowledge or skill of existing or future employees would be retained should they depart the Company for any reason. The Company may retain the services of outside consultants from time to time.

FORM 7 – MONTHLY PROGRESS REPORT

November 2022

Page 4

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CSE Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: December 2, 2022

“Leonard B. Van Betuw”

Leonard B. Van Betuw
Chief Executive Officer

Issuer Details <i>Name of Issuer</i>	<i>For Month End</i>	<i>Date of Report</i> (YY/MM/DD)
Avila Energy Corporation Inc.	November 2022	2022/12/02
<i>Issuer Address</i>		
201, 1439 17 th Avenue SE.		
<i>City/Province/Postal Code</i>	<i>Issuer Fax No.</i>	<i>Issuer Telephone No.</i>
Winnipeg, Manitoba R3R 0H1		(403) 277-8550
<i>Contact Name</i>	<i>Contact Position</i>	<i>Contact Telephone No.</i>
Leonard B. Van Betuw	Chief Executive Officer	(403) 451-2786
<i>Contact email address</i>	<i>Web Site Address</i>	
leonard.v@avilaexpl.com	www.avilaenergy.com	

FORM 7 – MONTHLY PROGRESS REPORT

November 2022